

Memorandum

*Flex your power!
Be energy efficient!*

To: DEPUTY DISTRICT DIRECTORS, Construction
DEPUTY DIVISION CHIEFS, Structure Construction
CONSTRUCTION MANAGERS
SENIOR CONSTRUCTION ENGINEERS
RESIDENT ENGINEERS

Date: September 18, 2006

File: Division of Construction
CPD 06-8

From: ROBERT PIEPLOW
Chief
DIVISION OF CONSTRUCTION



Subject: Reclaimed Asphalt Pavement

Updated standard special provision (SSP) 39-010, "Asphalt Concrete," contains new language that allows contractors to use reclaimed asphalt pavement (RAP) as a substitute for up to 15 percent of the dry virgin aggregate mass in the asphalt concrete mix. A copy of the applicable RAP language included in SSP 39-010, "Asphalt Concrete," is attached. Resident engineers must provide this option to contractors for on-going projects that have asphalt concrete as part of the planned work, but that do not have the RAP special provision included in the contract. This does not apply to projects that already include the RAP special provision.

When a contractor elects to use RAP for an on-going project, the resident engineer must allow it through a contractor requested contract change order after negotiating a unit price adjustment of compensation credit to the state based on the cost savings to the contractor. This contractor requested change to use RAP is not considered to be a "Cost Reduction Incentive," as described in Section 5-1.14 of the *Standard Specifications*. The basis of the adjustment of compensation is calculated by determining the difference between the actual unit cost to perform the work of that portion of the contract item involved as originally planned and the actual unit cost of performing the portion of work conducted as a result of the change. Actual unit costs are determined by the resident engineer in the same manner as if the work were paid for on a force account basis as provided in Section 9-1.03 of the *Standard Specifications*; or the adjustment is agreed to by the contractor and the resident engineer.

Cost savings should be based on reduced binder quantities, aggregate production, and trucking. These savings will be partially offset by the contractor's increased costs for processing the RAP, providing quality control, and designing the mix. In no case shall this change result in a cost increase to the state. A zero cost savings may be acceptable in certain situations (for example, for small quantities of asphalt concrete). Backup

calculations to support the credit or zero adjustment of compensation must be filed in the project records. A copy of sample Backup Calculations is attached.

This construction procedures directive serves as authorization from both the Division of Construction and the Federal Highway Administration (FHWA) for districts to approve RAP contract change orders. It is not necessary to submit individual RAP contract change order transmittals to the Division of Construction for review. However when the project is federally funded you must include a copy of the attached FHWA Form CA-358(c), "Record of Blanket Prior Approval for Major Contract Change Order," to the contract change order memorandum. A sample Contract Change Order and sample Contract Change Order Memorandum for RAP are included as examples.

If you have questions about this directive, please contact Chuck Suszko, Office of Construction Engineering, at (916) 227-7314.

Attachments: SSP 39-010, "Asphalt Concrete," (RAP portion, paragraphs 10-23)
FHWA Form CA-358(c), "Record of Blanket Prior Approval for Major
Contract Change Order"
Sample: Backup Calculations
Sample: Contract Change Order - RAP
Sample: Contract Change Order Memorandum - RAP

DEPUTY DISTRICT DIRECTORS, Construction, et al
September 18, 2006
Page 3 of 2

bc. RPieplow; GMallette;
 CPD folder; Subject File; Author File (Saathoff)